

HOUSE BILL 223

By Jones

AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 17, Part 1, relative to dealers of used motor vehicles.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-17-114, is amended by adding the following as a new subsection:

(f)

(1) In addition to the grounds contained in subsections (a) and (b), the commission may deny an application for a license, or revoke or suspend the license, of a motor vehicle dealer after it has been issued upon a finding that the motor vehicle dealer operates a place of business licensed pursuant to this part to sell used motor vehicles that is located within one (1) mile of another licensed business operation that sells used motor vehicles.

(2) A motor vehicle dealer who establishes a place of business licensed pursuant to this part within one (1) mile of another licensed business operation that sells used motor vehicles shall be in violation of this subsection (f).

(3) This subsection (f) shall apply only to businesses that:

(A) Are located within a county having a metropolitan form of government, which has a population in excess of five hundred thousand (500,000), according to the 2010 federal census or any subsequent federal census; and

(B) Have more than eighty percent (80%) of their inventory comprised of used motor vehicles.

(4) This subsection (f) shall not apply to any business licensed pursuant to this part to sell used motor vehicles as of July 1, 2015; provided, that upon the leasing or transfer of ownership of the business operations, this subsection (f) shall be applicable to the business.

SECTION 2. This act shall take effect July 1, 2015, the public welfare requiring it.